

12-01

**ORDINANCE OF THE BOROUGH OF MERCHANTVILLE,
COUNTY OF CAMDEN, STATE OF NEW JERSEY
AMENDING CHAPTER 37, GEMS, PRECIOUS METALS &
JEWELRY, IN THE CODE OF THE BOROUGH OF
MERCHANTVILLE**

BE IT ORDAINED by the Mayor and Borough Council of the Borough of Merchantville, County of Camden, and State of New Jersey that Chapter 37, Precious Metals, Gold & Jewelry, is hereby added to the Code of the Borough of Merchantville, as follows:

ARTICLE I. SECTION 37-1 Definitions.

DEALER – Any person, partnership, corporation or other entity, whether permanent or itinerant, who on one of more occasions (through any means) buys and sells secondhand gold, silver, precious metals, gems or jewelry, and includes anyone advertising the purchase or sale of any of the aforementioned items.

ITINERANT BUSINESS – Any business conducted intermittently within the Borough of Merchantville or at varying locations.

MINOR – Any person under the age of 18 years.

PERMANENT-BASED BUSINESS – Any business conducted on a year round basis and housed in a single structure, such as a store or residence.

ARTICLE II. SECTION 37-2 Issuance of License.

A. Each dealer conducting business within the jurisdiction of the Borough of Merchantville shall first register with the Chief of the Merchantville Police Department, or the

officer so designated by the Chief of Police, who shall fingerprint the applicant and institute such an investigation of the applicant's moral character and business responsibility, as he deems necessary for the protection of the public welfare. In the event that the dealer is a business entity other than a sole proprietorship, the officers in a corporation or the partners in a partnership (or limited partnership) shall be deemed to be the applicant(s) who shall be fingerprinted and investigated in accordance with this section. Upon completion of the investigation, Chief of the Merchantville Police Department, or the officer so designated by the Chief of Police, shall either issue or deny the license based upon the results of his investigation. Upon the issuance of the license, the applicant shall be given a copy of this Chapter.

B. Any applicant denied a license under this Section by Chief of the Merchantville Police Department, or the officer so designated by the Chief of Police, based upon the results of an investigation, may appeal such denial to the Borough Council of the Borough of Merchantville within fifteen (15) days of the date of the denial. This appeal shall be perfected by service of a Notice of Appeal on the Borough Clerk of the Borough of Merchantville either personally or by certified mail.

C. The Borough Council shall conduct a hearing on this appeal within thirty (30) days of its receipt of the appeal, and shall render a decision, in writing, on the appeal within twenty (20) days of the close of the hearing.

ARTICLE III.**SECTION 37-3****License fees, non-transferability**

The fee for a license under this Chapter shall be Two Hundred (\$200.00) Dollars, per calendar year. A license issued under the provisions of this Chapter shall not be transferable and shall terminate on December 31st of the year in which said license is issued.

ARTICLE IV.**SECTION 37-4.****Records to be maintained**

Each dealer shall maintain a complete record of each purchase and sale, including the amount paid, description of the item and any identifying numbers or engravings. The dealer shall also obtain the name, address, and date of birth, driver's license number and state of issuance for the person from whom the items were purchased, received or sold. The name of the clerk making the transaction shall be "legibly set forth". The dealer shall issue to the seller and keep for his own records, for not less than five (5) years, the weights of the precious metals purchase and the fineness of the precious metal. The records required to be maintained shall be kept confidential by the dealer and shall be released only to appropriate law enforcement personnel. This information is to be documented on the "Secondhand Jewelry Transaction Receipt" form to be supplied to the Merchantville Borough Police Department within forty-eight (48) hours of the transaction.. These records shall be subject to the inspection of any law enforcement officer requesting same in the normal course of his duties. The records required to be maintained shall be kept confidential by the dealer and shall be released only to appropriate law enforcement personnel. The precious metal shall be retained in the form in which they were purchased for a period of ten (10) business days.

ARTICLE V. SECTION 37-5 Description of Items to be delivered to the Chief of Police or his designee

Each dealer doing business in the Borough of Merchantville shall deliver to the Chief of the Merchantville Police Department, or the officer so designated by the Chief of Police, the description of all items purchased, received or sold including a photographed recording of the item(s) being purchased by the dealer within 48 hours of the completion of the transaction of the “Secondhand Jewelry Transaction Receipt” forms prescribed by the Public Safety Director, or officer in charge. The photograph shall be of digital form and quality with the ability to be electronically transferred to a computer.

ARTICLE VI. SECTION 37-6 Disposal within ten (10) days of purchase prohibited.

No dealer shall sell, melt or change the form of or dispose of any articles purchased or received within ten (10) days of the date of said purchase, and all such items shall be made available for at least ten (10) business days to any authorized police officer requesting such items.

ARTICLE VII. SECTION 37-7 Restrictions on transactions.

Each dealer must require identification of the person with who, he is transacting business, and no transaction may be made with any minor, as herein defined, nor with any individual who is in an intoxicated state and/or is under the influence of intoxicating liquor, narcotics or hallucinogenic or habit-producing drugs.

ARTICLE VIII.**SECTION 37-8****Surety Bond**

Each licensee shall deliver a bond to the Borough Clerk executed by the applicant as principal with a surety company authorized to do business under the laws of the State of New Jersey as surety. The bond, to be approved by the Borough Attorney, shall be in the penal sum of \$10,000.00, conditioned for the due and proper observance of and compliance with the provisions and requirements of all ordinances of the Borough in force or which may be adopted respecting the conduct of this business and conditioned also that the bond shall be and remain for the benefit of any person or persons who shall have received judgment against the licensee licensed under this chapter by reason of any damage sustained by any such person as a result of the operations of the licensee under this chapter, which damage shall be established by a judgment of a court of proper jurisdiction.

Said bond shall contain the following language: The obligation of this bond shall, in addition to the Borough of Merchantville, be and remain for the benefit of any person who shall obtain a judgment against obligor, as a result of damage sustained in operation pursuant to any license granted under Chapter 37 of the Ordinances of the Borough of Merchantville. Said bond shall be kept for a minimum of one year from the date of issuance of license and must be renewed annually along with the license. As per State Law every itinerant business must also show proof of bond, issued license in jurisdiction of origin and weights and measures inspection.

ARTICLE IX. SECTION 37-9 Revocation of License

Licenses issued under the provisions of this chapter may be revoked by the Chief of the Merchantville Police Department, or the officer so designated by the Chief of Police, after a hearing, upon notice to the applicant for any of the following causes:

- A. Fraud, misrepresentation or false statement contained in the application for license.
- B. Fraud, misrepresentation or false statement made in the course of carrying on the business of purchasing secondhand precious metals, gems and jewelry.
- C. Any violation of this chapter.
- D. Conviction of any crime or disorderly persons offense involving moral turpitude.
- E. Conducting the business of soliciting or canvassing in an unlawful manner or in such a manner as to constitute a breach of the peace or to constitute a menace to the health, safety and general welfare of the public.

ARTICLE X. SECTION 37-10 Violations, penalties.

Any person who violates any provision of this chapter shall, upon conviction, be subject to one or more of the following: a fine not exceeding \$1,000.00; and/or imprisonment for a term not exceeding 90 days; and/or a period of community service not exceeding 90 days. If the violation is of a continuing nature, each day during which it continues shall constitute a separate and distinct offense.

ARTICLE XI.

All Ordinances contrary to the provisions of this Ordinance are hereby repealed to the extent that they are inconsistent herewith.

ARTICLE XII.

This Ordinance shall take effect upon passage and publication according to law.

THE BOROUGH OF MERCHANTVILLE

BY: _____
FRANK M. NORTH, MAYOR

ATTEST:

DENISE BROUSE, BOROUGH CLERK

The foregoing ordinance was introduced by Mayor and Council at a meeting held on February 13, 2012. This Ordinance will be considered for adoption on final reading and public hearing to be held on March 12, 2012 at 7:30 p.m. in the Council Meeting Room, Merchantville Borough Hall, 1 West Maple Avenue, Merchantville, New Jersey.

The purpose of this Ordinance is the regulation of the sales of precious metals, gold and jewelry in the Borough of Merchantville. A copy of this Ordinance is available at no charge to the general public between the hours of 8:30 AM to 4:30 PM, Monday through Friday (Legal Holidays excluded), at the Office of the Borough Clerk, Merchantville Borough Hall, 1 West Maple Avenue, Merchantville, New Jersey.